INCOMING TELEGRAM Department of State

86173 02694 ZCZCLDN890 RR RUEHCR DE RUEHLL 779C 28/1111Z R 281641Z ZEA SP FM AMEMBASSY (LONDON) P TO RUEHCR/SECSTATE WASHDC (5744) USIA INFO RUFHPA/AMEMBASSY PARIS TOGED 97 NSC STATE GRNC: INR CIA HRIDES NSA LIMITED OFFICIAL USE MAY 28 DOD IN STORY HEADLINED "NEW CLOSH LINELY WITH US OVER FREI AT RATES." DATELINED WASHINGTON MAY 27, TODAY'S FINANCIAL TIMES REPORTED ADMIRAL HARLLEE TESTIMONY BEFORE JEC SUBCOMMITTEE. E CEA COM FMC | QUOTES ADMIRAL HARLLEE AS REVEALING THAT STATE DEPT WAS ASKING MARITIME NATIONS TO "EXPLAIN OR REMEDY" DISCRIMINATORY ACTION BY FOREIGN SHIPPING CONFERENCES WHICH THE FMC CLAIMS TO HAVE TRSY RMR DISCOVERED. WE STORY SAYS ADMIRAL HARLLEE STATED CATEGORICALLY THAT THE US EXPORTER WAS BEING HARSHLY DISCRIMINATED AGAINST. QUIES SENATOR DOUGLAS AS LOUDLY PROGLAIMING: "LET THESE FIGURES BE WRITTEN IN LETTERS OF FLAMING FIRE." STORY GOES ON TO DESCRIBE ADMIRAL HARLLEE'S TESTIMONY CONCERNING THE ONF TRADE ROUTE AS TO WHICH THE ONLY FULL STUDY HAS THUS FAR BEEN MADE, BUT QUOTES ADMIRAL HARLLEE AS STATING THAT THE INDICATIONS WERE THAT THE SAME SITUATION PERTAINS IN OTHER ROUTES. STORY IN FINANCIAL TIMES LIKELY RAISE QUESTIONS, ESPECIALLY ON QUOTATION THAT STATE DEPT ASKING NATIONS TO EXPLAIN OR REMEDY, AND EMBASSY WOULD APPRECIATE INFORMATION ON TESTIMONY AND ITS IMPLICATIONS. BRUCE

State Department review completed

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